REMARKS/ARGUMENTS

Claims 1-31 and 34-35 are pending in the application. Claims 26-29 have been canceled without prejudice or disclaimer, claims 1, 4, 11-12, 22, 30 and 35 have been amended. No new matter has been added. Reconsideration of the claims is respectfully requested.

In paragraph 2 on page 3 of the Office Action, claim 12 is rejected under 35 U.S.C. § 112 second paragraph for being indefinite for failing to point out and distinctly claim the subject matter which Applicants regards as the invention. Claim 12 has been amended to clarify the term in question. It is believed that all claims comply with 35 U.S.C. § 112.

In paragraph 3 on page 4 of the Office Action, claims 1, 2, 4, 5, 8, 11, 15, 16, 26-29 and 34 are rejected under 35 U.S.C. §102 (b) as being anticipated by Swallow (US Patent No. 5820958).

In paragraph 4 on page 5of the Office Action, claims 30 and 31 are rejected under 35 U.S.C. §102 (b) as being anticipated by Cunningham (US Patent No. 2893144).

In paragraph 5 on page 6 of the Office Action, claims 6 and 7 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Swallow.

In paragraph 6 on page 7 of the Office Action, claims 1, 9-17, 19-23, 25 and 34 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Abrams (US Patent No. 5656362).

In view of the amendments and reasons provided above, it is believed that all pending claims are in condition for allowance. Applicant respectfully requests favorable reconsideration and early allowance of all pending claims.

Much of the argumentation has been presented in the pre-appeal brief and will not be reargued in this document. Reference should be had to that submission with respect to the application of the Cunningham reference. On appeal, if necessary, these arguments will be presented again, but for now, brevity allows a greater focus on the other references which have not been applied to this case before.

With respect to the application of the Swallow reference, the undersigned submits that use of this reference is clear error in failure to apply MPEP 2413

2143 Basic Requirements of a Prima Facie Case of Obviousness

To establish a prima facie case of obviousness, three basic criteria must be met. <u>First, there</u> <u>must be some suggestion or motivation</u>, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

It is strongly submitted that Swallow provides no motivation to the present invention. It is incomprehensible how a reference which is used as a "bandage" for wall cracks, which is not and should not be folded, is a teaching in any way for file folders.

The claims have been amended to make clear the benefit of the gap is to make reliable, natural or predictable folding along the line takes place. Such folding never occurs in Swallow and there is no useful teaching one could derive from that reference in the claimed invention.

Thus combination rejections based on Swallow with other references must likewise fail.

The Abrams reference is, at least related to printing, though not stock material/folder applications. However, the examiner's creation of a "gap" 52g (a reference not in specification) for a space between labels which is not folded, is likewise clear error in the application of MPEP 2143. The stretching of this reference to cover

the claimed invention would require motivation (not present), suggestion (not present) a reasonable expectation of success (since there is no motivation to enhance reliable folding, there is no expectation at all), and the prior art much show all elements (not present).

The examiner is urged to reconsider these claims and the appropriateness of the cited references. If further clarification is necessary, the examiner is asked to telephone the undersigned.

If a telephone conference would be helpful in resolving any issues concerning this communication, please contact Applicant's attorney of record, Michael B. Lasky at (952) 253-4106.

Respectfully submitted,

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MBL/jsa

Office Action Response